



2009/10 FINANCIAL YEAR

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

ZULULAND DISTRICT MUNICIPALITY

## CONTENTS

1. Background to the SDBIP
2. Purpose of the SDBIP
3. Importance of SDBIP
4. The Role of Council with regards to the SDBIP
5. Role of the Accounting Officer with regards to the SDBIP
6. Key components of the 2009/10 SDBIP
7. Monthly Projections of Revenue to be collected for each Source
8. Monthly Projections of Expenditure by Source
9. Monthly Projections of Expenditure and Revenue for each vote
10. Quarterly Projections of Service Delivery Targets and Performance Indicators for each vote
11. Detailed Capital Works Plan (MIG)
12. Approval by the Honorable Mayor

## 1. Background to the SDBIP

In terms of Section 69 (3) (a) of the Municipal Finance Management Act, the Municipal Manager must submit the SDBIP to the Mayor within 14 days after the approval of the Budget. The Mayor must subsequently approve the SDBIP within 28 days after the approval of the Budget in terms of Section 53 (1) (c) (iii) of the Municipal Finance Management Act. The Tabled Budget for the 2009/10 financial year was approved by Council on 28 May 2009, following an extensive public participation process to compile the Integrated Development Plan. Then the SDBIP must be reviewed quarterly in terms of S54 (1) (c).

## 2. Purpose of the SDBIP

The purpose of the SDBIP can be summarized as follows:

1. It is a vital link between the Mayor and the administration of the municipality;
2. It facilitates the process for holding management accountable for its performance;
3. It is a tool for implementation, management and monitoring; and
4. It further serves as the basis for the performance measurement in service delivery against the year-end targets and the implementation of the budget.

## 3. Importance of the SDBIP

A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, and it:

- Enables the Mayor to monitor the performance of the Municipal Manager;
- Municipal Manager to monitor the performance of the senior managers; and
- The community to monitor the performance of the municipality.

It is the excellent mechanism that produces quarterly targets that are reported to ensure implementation of the IDP. The SDBIP will also empower all councillors specifically facilitating engagement at ward level and allow them to undertake the appropriate oversight and monitoring of programs. The SDBIP will also measure in-year progress in the implementation of the budget; under spending of budget will be dealt with at early stages because it is reviewed quarterly.

These components of the SDBIP are discussed below.

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators of each vote;
- Ward information for expenditure and delivery; and
- Detailed capital works plan broken down by ward over three years.

In terms of Circular No. 13 of the MFMA No. 56 of 2003, the SDBIP must contain:

#### 6. The key components of the 2009/10 SDBIP

1. Implement the Budget;
2. Ensure that spending is in accordance with the Budget and ensure that the expenditure is reduced when revenue is anticipated to be less than projected in the Budget or the SDBIP
3. Ensure that revenue and expenditure is properly monitored;
4. Prepare an adjustments Budget when necessary; and
5. Submit the draft SDBIP and draft annual performance agreements for the Municipal Manager and all senior managers.

The Accounting Officer must:

#### 5. Role of the Accounting Officer in respect of the SDBIP

It is vitally important for Council to note that the components of the SDBIP are primary indicators of the municipality's performance on the annual Budget. In this regard, Councilors are encouraged to scrutinize the various components of the SDBIP and to pose questions where it is deemed necessary. This form of in-year reporting should uncover major problems and is aimed at ensuring that the Mayor and the Municipal Manager take the corrective steps when any unanticipated problems arise.

#### 4. The Role of Council with regards to the SDBIP

## 7. MONTHLY PROJECTIONS OF REVENUE PER SOURCE

In terms of Section 15 of the MFMA, a municipality may, except where otherwise provided in this Act,

- incur expenditure only in terms of the approved Budget; and
- within the limits of the amounts appropriated for the different votes in the approved Budget.

One of the most important and basic priorities of a municipality is to collect all its revenue as budgeted for, failure to collect the revenue will undermine the municipality's ability to deliver services. The SDBIP contains the monthly projections of revenue to be collected per source for the 2009/10 financial year. The reason for the inclusion of this component of the SDBIP is to ensure that the municipality monitors revenue collected during the quarter as all expenditure to be incurred in terms of the approved Budget must be financed from realistically anticipated revenues to be collected.

The Accounting Officer must monitor the actual revenues received against those projected in the SDBIP and submit explanations of any remedial action to be taken to ensure that projected revenue and expenditure remain within the municipality's approved Budget. This type of information requires the municipality to take urgent remedial steps to ensure it improves on its revenue-collection capacity if it wants to maintain its levels of service delivery and expenditure.

7.1. If you go to the table for revenue by source, you notice that during quarter 2 the actual revenue for the sale of water and sewerage exceed targeted revenue which means that the municipality will be able to spend this money on operating expenditure as was budgeted for and to save a certain portion of it collection.

On investments side we notice that the targeted interest is partially more than the actual, more investments are expected to mature during the 3<sup>rd</sup> and 4<sup>th</sup> quarter. Grants and Subsidies include both operating and capital grants. If you go down again on the table below you will notice that we have targeted more grants whereas we've only received half of it during the quarter, but if we compare the two quarters that is Q1 & Q2 you notice that during quarter 1 we received more grants than what we expected which led us to have a surplus of R23 779 269 during quarter 1. Other income we have a surplus of R175 503. This implies that the municipality was able to collect it revenue especial our own revenue in both quarters compared to grants because the collection of grants depends on Government as to when did they plan to make payments according to their planning schedule, but we expecting to receive all of them by 30 June 2010. The table is attached for reference below.

## 7.2. Chart 1: Monthly projections of total revenue per Source

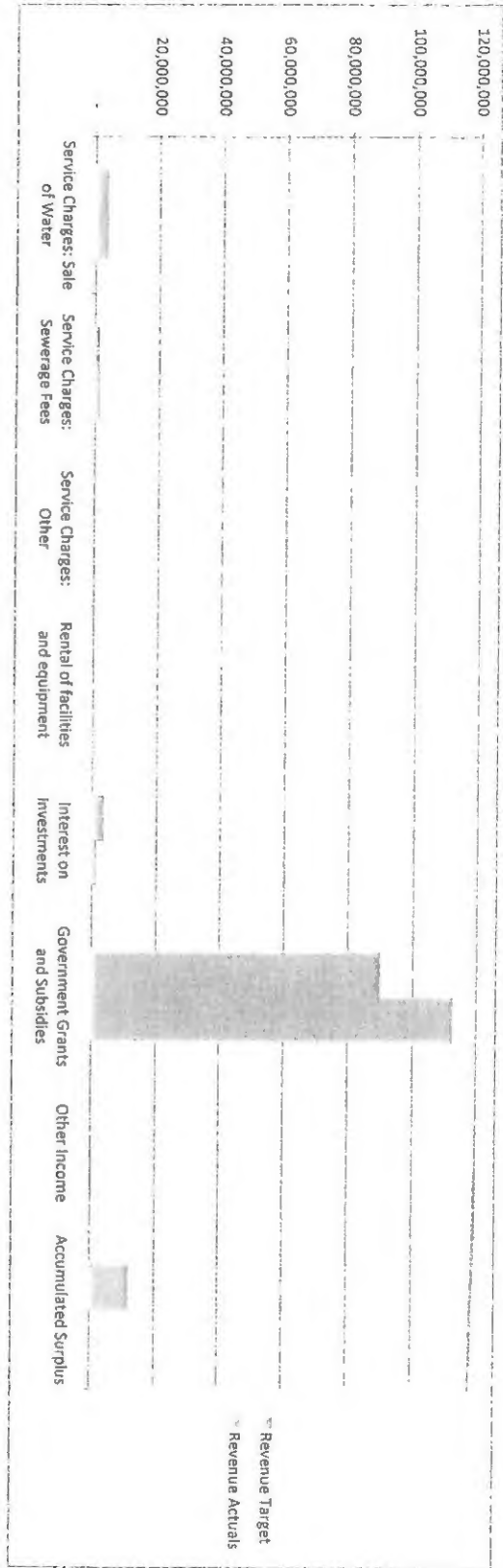
The municipality must ensure that it has instituted measures to achieve monthly revenue targets for each revenue source. In order to ensure realistic revenue projections and ultimately balanced budgets, the Zululand District Municipality has to have comprehensive, coherent revenue policies that take into account appropriate service delivery levels, standards, ability to pay and collection efforts. As shown in this chart more revenue is received from National grants and Provincial grants and slightly on services rendered by the municipality, this is because Zululand is dominated by rural areas and low income groups households. But as said above the Zululand District Municipality was able to collect money on services rendered as you can see on table number 1 for both quarters, the actual for services are more than targeted revenue.

Monthly projections of revenue by source of Zululand District Municipality for the Quarter ended 30 September 2009

#### Monthly Projections of Revenue by Source

	BUDGET			Actual			August			September			TOTALS		
	Target	Variance	Actual	Target	Variance	Actual	Target	Variance	Actual	Target	Variance	Actual	Target	Variance	Actual
Revenue of Sale of Water	1,224,950	3,265	1,228,215	1,198,839	225,171	1,424,010	1,088,637	-109,866	1,194,497	3,585,516	4,326,535	52,550	4,326,535	4,072,268	2,887,747
Services Charges	1,224,950	3,265	1,228,215	1,198,839	225,171	1,424,010	1,088,637	-109,866	1,194,497	3,585,516	4,326,535	52,550	4,326,535	4,072,268	2,887,747
Services Charges - Sewerage Fees	4,123,422	343,819	4,467,241	3,453,619	468,596	3,922,215	3,453,619	-468,596	3,922,215	1,020,855	1,451,721	430,866	1,451,721	1,020,855	430,866
Services Charges - Other	1,081,528	29,994	1,111,522	839,219	272,303	1,040,000	734,999	-305,001	1,000,000	1,020,855	1,451,721	430,866	1,451,721	1,020,855	430,866
Rentals of facilities and equipment	13,000,000	1,038,353	13,998,353	12,258,258	1,740,095	14,000,000	11,083,333	-2,916,667	13,998,353	3,094,825	1,156,135	1,938,690	1,156,135	1,938,690	1,938,690
Depreciation on Investments	383,700,000	69,700,000	453,400,000	317,298,000	136,102,000	453,400,000	222,631,271	-230,768,729	453,400,000	109,456,000	11,654,000	121,110,000	11,654,000	121,110,000	121,110,000
Government Grants and Subsidies	47,693,307	3,941,609	51,634,916	46,461,461	5,173,455	51,634,916	3,841,609	-7,793,307	51,634,916	11,924,872	11,824,872	100,000	11,824,872	100,000	100,000
Accumulated Surplus	437,912,785	96,289,723	534,202,508	327,285,000	206,917,508	534,202,508	218,148,488	-316,054,020	534,202,508	129,127,271	13,925,017	2,887,747	13,925,017	2,887,747	2,887,747
TOTALS	437,912,785	96,289,723	534,202,508	327,285,000	206,917,508	534,202,508	218,148,488	-316,054,020	534,202,508	129,127,271	13,925,017	2,887,747	13,925,017	2,887,747	2,887,747

Chart 1 - Revenue by source

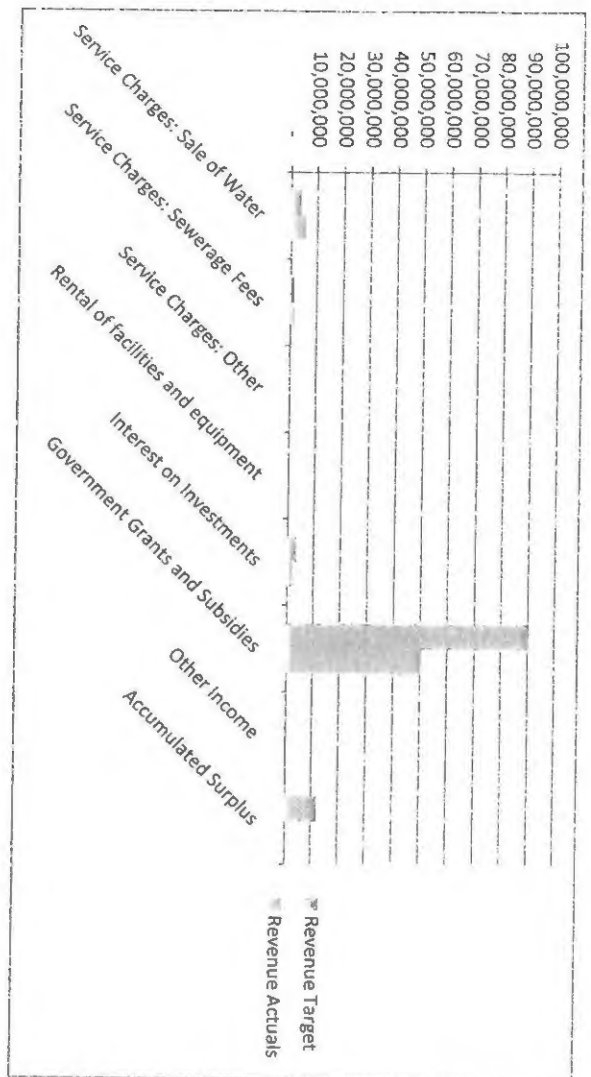




Monthly projections of revenue by source of Zuliland District Municipality  
for the Quarter ended 31 December 2009

Monthly Projections of Revenue by Source												
Revenue by Source												
	BUDGET	TOTAL BUDGET	October		Variance	November		Variance	December		Variance	Totals to Q2
			Target	Actual		Target	Actual		Target	Actual		Variance
Service Charges, Sale of Water		14,386,086	1,199,638	179,317	-1,019,462	1,199,638	4,279,861	3,081,022	1,199,638	4,500,335	-338,604	1,720,056
Service Charges, Sewerage Fees		4,123,472	343,619	24,564	-319,055	343,619	856,695	515,316	343,619	452,283	108,614	304,836
Service Charges, Other												
Rental of facilities and equipment												
Interest on Investments		13,000,000	1,063,333	843,895	-239,538	1,063,333	656,011	-405,322	1,063,333	790,630	-292,704	-487,366
Government Grants and Subsidies		356,624,000	89,708,000	5,372,490	-84,332,496	89,708,000	44,590,000	-44,590,000	89,708,000	41,866,311	-47,841,689	2,053,813
Other Income		280,000	23,333	58,793	-35,460	23,333	49,401	-26,068	23,333	93,066	-69,733	223,000
Accumulated Surplus		47,299,307	3,841,609	3,941,609	-100,000	3,841,609	54,078,078	-50,236,469	3,841,609	3,941,609	-100,000	
TOTALS		437,612,796	96,296,733	10,421,539	-85,874,794	96,296,733	54,078,078	-41,788,143	96,296,733	49,026,923	-47,269,190	3,349,640

Chart 1 - Monthly Projections of Revenue by Source Quarter 2



## 8. MONTHLY PROJECTIONS OF EXPENDITURE PER SOURCE

The monthly projections of expenditure per source is not included in terms of circular No 13 of the MFMA, but we as Zululand District Municipality have decided to add this component in order to see the movement of expenditure per source on monthly basis to be able to respond promptly and to initiate any remedial steps when necessary.

8.1. On the table below except for employee related cost and repairs and maintenance there is a little difference between the targeted expenditure and actual expenditure. The for salaries, social contribution and councilors remuneration there is a huge variance which was caused by misallocation of integration but recons are done to correct that. The recons are expected to be complete by 28 February 2010. There is also a huge variance on repairs and maintenance this is because invoices are paid in arrears.

Monthly projections of expenditure by source of Zululand District Municipality for the Quarter ended 30 September 2009

### Monthly Projections of Expenditure by Source

[illegible]

**Monthly projections of expenditure by source of Zululand District Municipality for the Quarter ended 31 December 2009**

Monthly Projections of Expenditure by Source

Expenditure by Source	BUDGET	October	November	December	Totals to Q2							
	TOTAL BUDGET	Actual	Variance	Target	Actual	Variance	Target	Actual	Variance			
Operating Expenditure												
Employee related costs wages and salaries	64,643,564	4,553,630	3,884,749	-668,881	4,553,630	7,310,335	2,756,705	3,660,091	11,195,084	-2,465,807		
Employee related costs social contribution	11,196,265	314,516	611,838	296,355	926,355	1,186,763	259,909	2,779,064	1,788,102	-900,962		
Remuneration of our directors	5,357,599	446,467	192,853	-289,814	446,467	-	446,467	322,811	123,656	3,339,400	485,663	
Bad debts												
Collection costs	171,526	14,294		14,294	14,294	-14,294	14,294	42,892	28,602	42,892	-2,480	
Depreciation												
Repairs and maintenance	30,544,369	2,545,364	1,090,300	-1,455,064	2,545,364	1,705,929	838,435	2,545,364	1,406,211	1,739,153	7,656,092	4,202,440
Interest on external borrowings	594,595	49,542	53,085	3,543	49,542	96,504	48,961	49,542	51,062	5,014	148,627	200,641
Bank purchases												
Grants & subsidies paid	37,510,284	2,709,190	3,541,726	832,535	2,709,190	3,388,008	675,817	2,709,190	1,311,499	1,397,692	8,127,571	8,238,232
Other Department	844,658	70,388		-774,270	70,388	190,000	119,615	70,388	28,919	-40,368	211,165	190,000
Contracted services	840,141	70,012	13,674	-66,338	70,012	307,289	237,277	70,012	28,919	-40,368	211,165	190,000
Georgia expenses - other (includ ng abnormal expenses)	3,429,859	285,819	300,397	14,578	285,819	307,289	21,465	285,819	274,794	11,025	857,467	882,460
Loss on disposal of property, plant and equipment	100,907,415	8,408,535	8,310,260	801,725	8,408,535	5,292,913	3,116,221	8,408,535	5,172,936	-236,699	25,225,604	22,775,409
Total Operating Expenditure	240,955,148	20,079,596	18,866,882	-1,110,713	20,079,596	10,977,022	5,102,573	20,079,596	20,062,120	-17,475	60,238,787	50,008,025
Capital Expenditure												
Total asset from own funds	1,130,471	2,047,259	759,470	-831,001	1,130,471	1,130,471	192,172	2,047,259	1,130,471	916,787	3,381,413	3,036,901
Total asset from grants & subsidy	183,392,000	660,025	19,066,960	182,731,975	15,282,667	19,066,960	3,786,293	15,282,667	10,453,116	-4,829,551	45,848,000	45,664,797
Total Operating Expenditure	196,957,650	16,413,138	19,828,842	-4,594,716	16,413,138	19,828,842	4,594,716	16,413,138	10,645,288	-5,767,850	49,239,413	48,503,698
TOTAL EXPENDITURE	437,912,796	36,492,733	36,595,833	-466,100	36,492,733	30,845,452	-5,647,281	36,492,733	30,707,408	-5,785,325	109,478,199	98,511,692

## 9. PROJECTIONS OF REVENUE & EXPENDITURE PER VOTE

It is important to view expenditure in relation to the revenue used to finance it. In this context, it is easy to see when expenditure exceeds Revenue and the necessary remedial steps can then be taken to correct this situation. Failure to monitor expenditure in relation to Revenue will seriously hamper the municipality's ability to achieve its strategic goals for the year.

### 9.1. Chart 2: Monthly Projections of Expenditure and Revenue per Vote

Compares the planned revenue and expenditure for the 2009/10 financial year. Looking at this quarter ended 31 December 2009 from the chart below, it is evident that the Zululand District Municipality had spent the bulk of its Budget on its core function, i.e. water because this chart clearly shows that expenditure actual on Water vote are more than revenue actual. It is clear that Zululand District Municipality has spent a lot in the provision of water to the community that it serves.

Looking also at our departmental votes, there is a huge variance between budgeted expenditure(target) and the actual expenditure, this shows that the budget was not fully utilized during the second quarter and we need to spend more on capital grants because in terms of GRAP, grant that is not spent becomes a liability to the municipality. On finance vote grants were received during the first quarter compared to the second quarter whereas in water vote more grants were received in the second quarter compared to the first quarter.

Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 30 September 2009

Monthly Projections for expenditure and revenue by vote		APPROVED BUDGET		
Department		Operating Exp	Capital Exp	Revenue
Executive and Council		31,907,616	-	-
Finance		15,755,098	2,272,806	220,376,307
Corporate Services		24,241,774	2,382,844	5,323,000
Planning, WSA & Comm. Dev		48,938,770	-	5,721,000
Water		114,435,368	192,302,000	202,369,066
Waste Water Management		5,678,520	-	4,123,422
<b>Total</b>		<b>240,955,146</b>	<b>196,957,650</b>	<b>437,912,795</b>

Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 30 Se

Monthly Projections for expenditure and revenue by vote									
Department	July								
	Operating Exp	Actual Opex	Variance	Capital Exp	Actual	Variance	Revenue	Actual	Variance
Executive and Council	2,658,968	813,721	-1,845,247	-	124,236	-189,401	55,094,077	66,799,543	11,705,466
Finance	1,312,925	74,149	-1,238,776	189,401	-	-189,401	-	-	-
Corporate Services	2,020,148	419,288	-1,600,860	198,570	-	-198,570	2,662,500	-	-2,662,500
Planning, WSA & Comm. Dev	4,078,231	680,191	-3,398,040	-	-	-	1,430,250	-	-1,430,250
Water	9,536,281	472,473	-9,063,808	16,025,167	115,318	-15,909,849	26,532,796	-	-26,532,796
Waste Water Management	473,043	29,912	-443,131	-	-	-	469,484	-	-469,484
Total	20,079,596	2,489,734	-17,589,862	16,413,137	239,554	-16,173,584	86,189,106	66,799,543	-19,389,563



Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 30 Se

Monthly Projections for expenditure and revenue by vote									
Department	August								
	Operating Exp	Actual	Variance	Capital Exp	Actual	Variance	Revenue	Actual	Variance
Executive and Council	2,658,968	1,790,317	868,651	156,070		156,070	-		
Finance	1,312,925	1,537,339	224,414	189,401		189,401		36,338	40,314
Corporate Services	2,020,148	2,830,970	810,822	198,570		198,570			
Planning, WSA & Comm Dev	4,078,231	3,191,779	886,452	-	26,000	26,000	-		
Water	9,536,281	9,403,462	132,819	16,025,167	12,054,872	3,970,295		1,455,191	457,731
Waste Water Management	473,043	522,823	49,780	-				486,595	446,595
Total	20,079,596	19,276,688	-802,907	16,569,208	12,081,622	-4,487,586	-	1,978,124	1,576,724

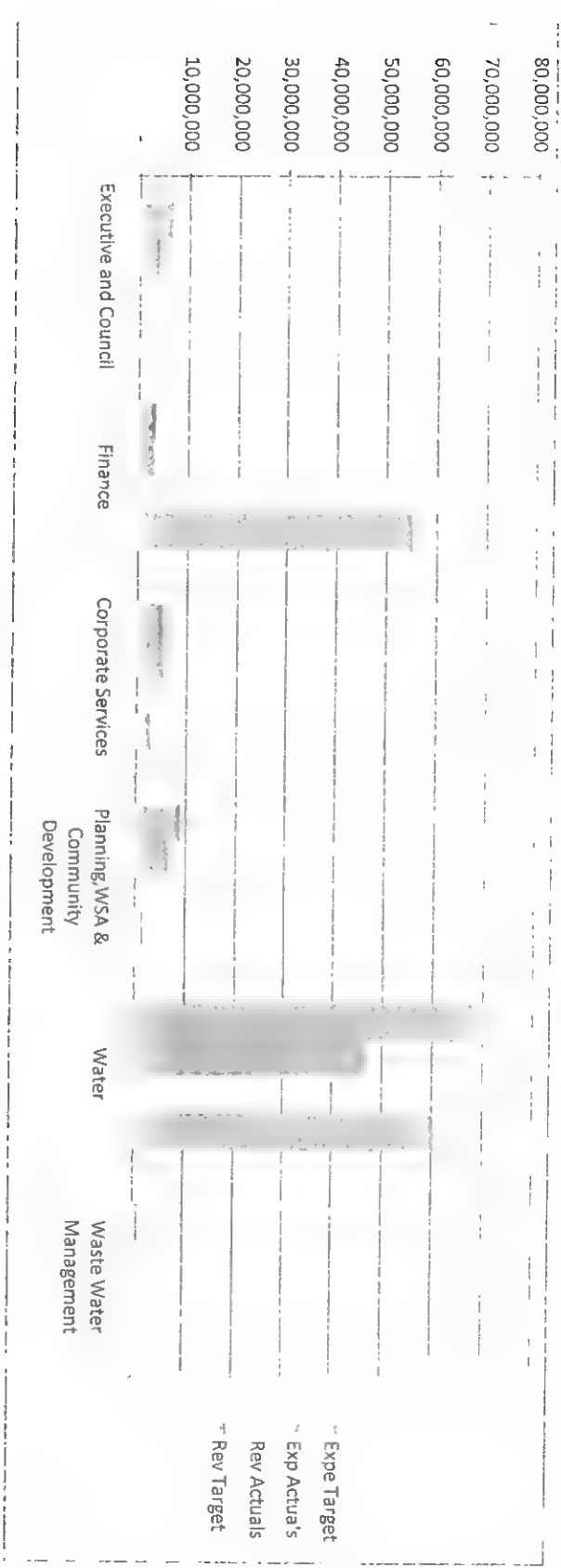
Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 30 Se

Monthly Projections for expenditure and revenue by vote			September						
Department	Operating Exp	Actual	Variance	Capital Exp	Actual	Variance	Revenue	Actual	Variance
Executive and Council	2,658,968	1,153,197	-1,505,771	156,070		-156,070	-		-
Finance	1,312,925	1,278,403	-34,522	189,401	78,790	-110,611		779,130	779,130
Corporate Services	2,020,148	1,976,610	-43,538	198,570	23,410	-175,160	-	-	-
Planning, WSA & Comm Dev	4,078,231	2,471,408	-1,606,823	-		-		6,271	6,271
Water	9,536,281	13,883,415	4,347,134	16,025,167	10,489,036	-5,536,131	33,728,178	24,990,651	-8,737,527
Waste Water Management	473,043	497,484	24,441	-		-	1,030,856	508,325	-522,531
Total	20,079,596	21,260,516	1,180,921	16,569,208	10,591,236	-5,977,972	34,759,034	26,284,376	-8,474,657

Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 30 Se

Monthly Projections for expenditure and revenue by vote	Totals to Quarter 1					
Department	Target Opex	Actual Opex	Variance	Target Rev	Actual Rev	Variance
Executive and Council	6,443,798	3,881,471	-2,562,328	-	-	-
Finance	3,268,201	2,968,681	-299,520	55,094,077	67,615,011	12,520,934
Corporate Services	5,055,294	5,251,027	195,733	2,662,500	-	-2,662,500
Planning, WSA & Comm Dev	8,836,652	6,369,377	-2,467,275	1,430,250	6,271	-1,423,979
Water	67,620,534	46,418,576	-21,201,958	60,260,973	26,445,842	-33,815,131
Waste Water Management	975,999	1,050,219	74,220	1,500,340	994,920	-505,420
Total	92,200,479	65,939,350	-26,261,128	120,948,140	95,062,043	-25,886,096

Chart 2 - Revenue & Expenditure by Vote Quarter 1



Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 31 December 2009

Monthly Projections for expenditure and revenue by vote	APPROVED BUDGET		
	Operating Exp	Capital Exp	Revenue
Department			
Executive and Council	31,907,616	-	-
Finance	15,755,098	2,272,806	220,376,307
Corporate Services	24,241,774	2,382,844	5,323,000
Community Development	38,002,628	-	1,349,000
Planning & WSA	10,936,142	-	4,372,000
Water	114,435,368	192,302,000	202,369,066
Waste Water Management	5,676,520	-	4,123,422
<b>Total</b>	<b>240,955,146</b>	<b>196,957,650</b>	<b>437,912,795</b>

Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 31 De

Monthly Projections for expenditure and revenue by vote		October									
Department		Operating Exp	Actual Opex	Variance	Capital Exp	Actual	Variance	Revenue	Actual	Variance	
Executive and Council		2,658,968	1,908,681	-750,287	-	124,236	124,236	-	-	-	-
Finance		1,312,925	869,261	-443,664	189,401	78,774	-110,627	55,094,077	856,764	-54,237,313	-
Corporate Services		2,020,148	1,228,222	-791,926	198,570	4,477	-194,093	2,662,500	-	-2,662,500	-
Community Development		3,166,886	5,801,867	2,634,981	-	-	-	-	767,602	767,602	-
Planning & WSA		911,345	107,206	-804,139	-	-	-	-	-	-	-
Water		9,538,281	16,778,916	7,242,635	16,025,167	17,906,699	1,881,532	26,532,796	5,081,366	-21,451,430	-
Waste Water Management		473,043	673,606	200,563	-	-	-	469,484	24,564	-444,920	-
Total		20,079,596	27,367,759	7,288,163	16,413,137	18,114,186	1,701,049	84,758,856	6,730,296	-78,028,560	-

Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 31 De

Monthly Projections for expenditure and revenue by vote				November			
Department	Operating Exp	Actual	Variance	Capital Exp	Actual	Variance	Revenue
Executive and Council	2,658,968	1,312,496	1,346,473	156,070	-	156,070	-
Finance	1,312,925	379,287	933,638	189,401	-	189,401	-
Corporate Services	2,020,148	403,703	1,616,445	198,570	529,627	331,057	-
Community Development	3,169,886	2,892,109	277,777	-	3,378	3,378	-
Planning & WSA	4,078,231	35,804	4,042,427	-	-	-	-
Water	9,536,281	7,095,736	2,440,545	16,025,167	19,233,152	3,207,985	33,728,178
Waste Water Management	473,043	307,021	166,022	-	-	-	1,030,856
Total	23,246,482	12,426,155	10,820,327	16,569,208	19,766,157	3,196,949	34,759,034
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Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 31 De

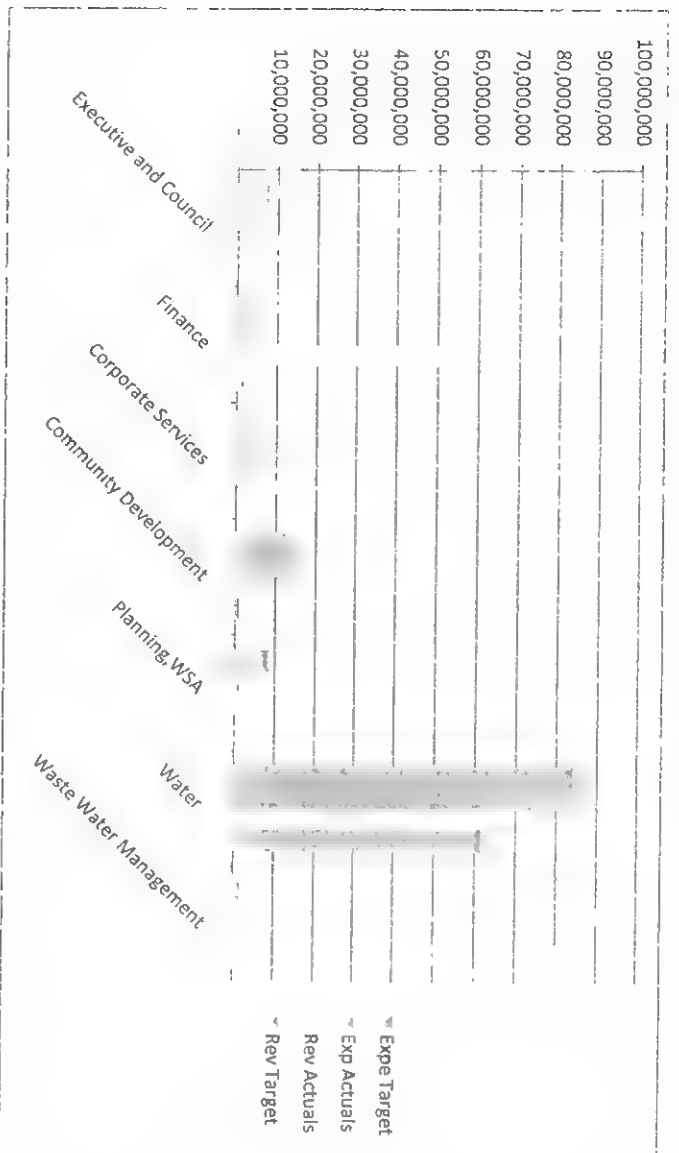
Monthly Projections for expenditure and revenue by vote				December					
Department	Operating Exp	Actual	Variance	Capital Exp	Actual	Variance	Revenue	Actual	Variance
Executive and Council	2,658,968	1,868,840	-790,128	156,070	-	-156,070	-	-	-
Finance	1,312,925	1,204,923	-108,002	189,401	17,820	-171,581	-	1,065	1,065
Corporate Services	2,020,148	1,615,999	-404,149	198,570	10,160	-188,410	-	-	-
Community Development	3,166,886	4,867,180	1,700,294	-	-	-	1,349,000	-	-1,349,000
Planning & WSA	4,078,231	711,273	-3,366,958	-	-	-	980,583	-	-980,583
Water	9,536,281	13,935,217	4,398,936	16,025,167	10,781,500	-5,243,667	-	2,221,096	2,221,096
Waste Water Management	473,043	290,560	-182,483	-	-	-	-	452,233	452,233
Total	23,246,482	24,493,992	1,247,510	16,569,208	10,809,480	-5,759,728	2,329,583	2,674,394	344,811



Monthly Projections of Expenditure & Revenue by Vote  
for Zululand District Municipality for the Quarter ended 31 De

Department	Totals to Quarter 2					
	Target Opex	Actual Expe	Variance	Target Rev	Actual Rev	Variance
Executive and Council	7,538,758	5,214,252	-2,324,506	-	-	-
Finance	4,063,313	2,550,065	-1,513,248	55,094,077	1,596,078	-53,497,998
Corporate Services	5,884,229	3,792,188	-2,072,041	2,662,500	39,800	-2,622,700
Community Development	12,135,639	13,564,534	1,428,895	1,349,000	770,548	-578,452
Planning & WSA	8,263,668	854,283	-7,409,385	980,583	-	-980,583
Water	83,926,977	89,731,219	2,804,242	60,260,974	61,255,715	994,741
Waste Water Management	1,619,693	1,271,187	-348,506	1,500,340	1,336,092	-164,248
<b>Total</b>	<b>123,412,276</b>	<b>113,977,728</b>	<b>-9,434,548</b>	<b>121,847,473</b>	<b>64,998,233</b>	<b>-56,849,239</b>

Chart 2 - Monthly Projections of Expenditure by Vote Quarter 2



**10. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS OF EACH VOTE**

In terms of the SDBIP, Zululand District Municipality is required to provide non-financial measurable performance objectives in the form of service delivery targets and other performance indicators. Service delivery targets relate to the level and standards of service being provided to the community, and include targets for the reductions in backlogs of basic services.

The goals and objectives set by Council as quantifiable outcomes that should be implemented by the administration over the next financial year are indicated on the sheet below.

Key Objective To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	Objective To provide free basic water	Indicator Sec 43 (Reg 10 (a)) Percentage of households with access to basic level of water	KPI No	Standard W/S: std: 20l per day or 6kl per household per month, within 200m. Minimum flow rate of 10l/minute	Responsibility HOD:TS	MM	Baseline Mun 52.20%	Mun Unacceptable performance (1) 57.70%	Mun Performance not fully effective (2) 58.10%	Mun Fully effective (3) 58.40%	Mun performance significantly above expectations (4) 58.80%	Mun Outstanding Performance (5) 59.10%	Mun Agreed evidence Design report and Engineer's certificate of completion indicating no. Of hh and communities served
To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To provide access to water	Percentage of households with access to RDP level of water	1		HOD:TS								Design report and Engineer's certificate of completion indicating no. Of hh and communities served
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To provide free basic sanitation services	Sec 43 (Reg 10 (a)): Percentage of households with access to basic level of sanitation	1.2	toilet which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection	HOD:TS		41.90%	45.30%	45.70%	46.00%	46.40%	46.70%	Design report, consent report and or Engineer's certificate of completion indicating no. Of hh and communities served
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To improve on the quality of water delivered	% of samples that pass laboratory tests	2	SABS Water quality standards for domestic water apply	HOD:TS								Sample tests results as certified by the lab, control limits for fluoride, bacteriological testing
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To improve on the quality of water delivered	% of passed samples that are within the the specified control limits for fluoride results	3.1		HOD:TS		440	495	550	605	660		Sample tests results as certified by the lab, control limits for fluoride, bacteriological testing
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To improve on the quality of water delivered	% of passed samples that are within the the specified control limits for bacteriological results	3.2		HOD:TS								Sample tests results as certified by the lab, control limits for fluoride, bacteriological testing
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To reduce water loss	Water loss operational plan completed by specified date	3.3		HOD:PCD								Approved water loss operational plan, water loss strategy
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To improve water supply reliability	Current water supply interruption time per plant less than specified target	3.5		HOD:TS								Register, signed by the HOD, of interruptions & notices issued
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To provide cost effective water services	Average annual percentage increase in water services tariff	4		CFO	MM							Certified Schedule of approved tariffs compiled to CPI as issued by STATSSA
CONSUMERS IN THE DISTRICT To progressively provide a cost effective, reliable water services at a good quality to all potential consumers in the district	To improve access to free water	Sec 43 (Reg 10 (b)): Percentage of households earning less than R1300 pm with access to free water (Note: Rudimentary LOS included)	5	ZDM Rudimentary Water supply standard minimum of 5l/person/day within 800 m of the household, flow rate of 3.3 l/min	HOD:TS		52.80%	60.40%	60.90%	61.40%	61.90%	62.40%	Design report and Engineer's certificate of completion indicating no. Of hh and communities served
			7										

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To deal with Disasters efficiently & effectively in the district	To review and facilitate the district wide Disaster Plan	Updated plan that complies with sections 32, 53 of the Disaster Management Act 57 of 2002, submitted to council by a specified date	23	Disaster Management Act 2002	HOD:CS		30/08/2010	30/07/2010	30/06/2010	31/05/2010	30/04/2010	Acknowledgement of receipt by MM, Disaster management Act and the actual plan
To deal with Disasters efficiently & effectively in the district	To create awareness of hazards and disasters	number of planned awareness campaigns held	23		HOD:CS		2	6	8	10	12	planned campaigns, artefacts supporting the occurrence of the campaign
To promote Tourism in the District	To create an effective electronic interface that promotes tourism	Compilation of Tourism statistics by specified date	23		HOD:PCO	3	30/08/2010	30/07/2010	30/06/2010	31/05/2010	30/04/2010	Minutes confirming receipt of reports tabled to PFC
To improve the economy of the district, through the creation of job opportunities and additional economic activities	To effect participation in LED	Sec 43 (Reg 10 (d)) Number of jobs created through LED & Capital Programme	26		HOD:PCO	600	200	300	400	400	600	IMF report on jobs created
To improve the economy of the district, through the creation of job opportunities and additional economic activities	To create LED awareness in the District	Number of LED awareness events held	30		HOD:PCO	8	4	6	8	12	14	Minutes confirming reports tabled to PFC
To improve the economy of the district, through the creation of job opportunities and additional economic activities	To apply for funding for LED	Number of LED business plans that are submitted	31		HOD:PCD	16	4	6	10	14	16	Confirmation of receipt by funders
To reduce the impact of HIV/AIDS	To create HIV/AIDS awareness and education	Number of earned awareness campaigns held	32		HOD:CS		5	8	10	11	13	planned campaigns, artefacts supporting the occurrence of the campaign
To reduce the impact of HIV/AIDS	To plan and implement initiatives/ measures that would reduce the impact of HIV/AIDS	HIV/AIDS Strategy reviewed and submitted to MM by planned date	36		HOD:CS		30/08/2010	30/07/2010	30/06/2010	31/05/2010	30/04/2010	acknowledgement of receipt by MM
To develop and empower Youth & Gender	To provide access to and awareness of Council's Youth & Gender programmes	Number of approved programmes held	38		HOD:CS		3	4	5	6	7	Approval = Number of programmes that are budgeted for, artefacts that prove the occurrence of the event, if programmes are funded from
To develop and empower Youth & Gender	To access sufficient resources	Number of Youth & Gender related Business Plans submitted for funding	41		HOD:CS		0	1	2	3	4	Confirmation of submission
To develop and empower Youth & Gender	To strategize on an empowerment and employment initiatives for youth	Youth & Gender Strategy reviewed and submitted to MM by specified date	42		HOD:CS		30/08/2010	30/05/2010	30/04/2010	30/03/2010	28/02/2010	Acknowledgement of receipt by MM, Signed strategy approved by MM
To develop and empower Youth & Gender	To create a platform for youth and comments	Number of District Youth & Gender Council Meetings	43		HOD:CS		4	5	6	7	8	Signed minutes
To develop and empower Youth & Gender	To create a platform for youth and comments	Number of District Youth & Gender Council Meetings	44		HOD:CS		4	5	6	7	8	Signed minutes

### Council Key Performance Indicators

The social upliftment of the communities in ZDM	To reduce poverty by implementing Community Development Projects	Number of people participating in Councils Capacity Building Programmes	HODS/Cs	300	400	500	650	700	Monthly reports by facilitators signed by DD
"The social upliftment of the communities in ZDM"	To increase available resources for poverty reduction programmes	Number of Capacity Building related Business Plans submitted	HODS/Cs	2	3	4	6	8	Confirmation of submission
To transform the organisation	To improve the employment rates for targeted groups	Sec 43 (Reg 10 (e)): Number of EE target groups employed in three highest levels of management	MM	11	12	13	14	15	Letters of appointment
To build capacity to lead and manage development in Zuward	To improve the employment levels for targeted groups	Number of women employed in the three highest management levels in the municipality (consolidated figure)	MM	1	2	4	5	6	Letters of appointment
To promote good financial practices	To produce accurate statements	Number of adjustments effected in relation to the number of accounts issued	CFO	0.35%	0.70%	0.50%	0.40%	0.25%	Venue report on accounts issued and listing of accounts where adjustments were authorized
To provide good financial practices	To process payments on time	Average processing time for invoices of approved work/services	CFO	60 days	45 days	30 days	15 days	7 days	Dated stamp cheque register, Report listing duration of invoice per processing stage
To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Data Financial Statements submitted to office of AG	CFO	2/09/2010	1/09/2010	31/08/2010	15/08/2010	01/08/2010	Report listing duration of invoice per processing stage Signed re-report of statements by AG
To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Nature of Audit Opinion	CFO	Disclaimer	Qualified	Unqualified			AG Audit Report
To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Number of matters of concern reported	CFO	Less than 15 matters of concern	Less than 10 matters of concern	Less than 8 matters of concern	Less than 6 matters of concern	No matters of concern	AG Audit Report
To promote good financial practices	To complete a budget within the specified time period	Date of approval of "Ad-hoc Budget"	CFO	30/04/2010	1/04/2010	31/03/2010			Council resolution
To provide good financial practices	To complete a budget within the specified time period	Fiscal Budget approved by specified date	CFO	30/06/2010	1/07/2010	30/06/2010	31/05/2010	prior to 31/05/2010	Council resolution
To promote good financial practices	To have an effective Auditing Function	number of planned Audit and performance management committee Meetings held	CFO	2	3	4	5	6	Signed receipt of reports by MM, planned number of audit meetings
To promote good financial practices	To have an effective Auditing Function	Percentage of Audit and performance management resolved (i.e. actions implemented) within the next financial year	CFO	40%	50%	75%	85%	100%	Interim audit report
To promote good financial practices	To develop a Financial Plan (i.e. Budget Process and Time Table)	Financial Plan approved by specified date	CFO	by 1/07/2010	after 01/07/2010	30/06/2010	prior to 31/05/2010	prior to 31/05/2010	Certified Council resolution

To be a financially viable municipality	To increase the cost coverage ratio	Sec 43 (Reg 10 (c)(ii)) Cost Coverage Ratio	60		CFO			3	<6	6	8	12	Ratio calculated from AFS figures signed by the CFO
To be a financially viable municipality	To increase the debt coverage ratio	Sec 43 (Reg 10 (c)(iii)) Debt Coverage Ratio			CFO			3	<6	6	8	12	Ratio calculated from AFS figures signed by the CFO, report listing operating revenue, operating grants and service payments
To be a financially viable municipality	To provide sufficient cash resources	D/LGA: % operating budget funded from cash	61		CFO	MM		92%	94%	96%	98%	100%	Investments and monthly operating expenditure
To be a financially viable municipality	To keep a minimum cash balance to cover average monthly expenditure	Number of days with excessive funds in current account in relation to the average	62		CFO			180	120	60	30	15	1. Strategy as approved by MM 2. Cashbook balance at month end, Investment Policy.
To promote good governance,	To collate customer satisfaction data	D/LGA: Date of Annual Customer Satisfaction survey	63		HODCS			2010/05/31	2010/04/01	2010/03/31	28/02/2010	31/03/2010	Investment Report submitted
To promote good governance,	Polices & bylaws	Date of revision of all Polices & Bylaws	64		HODCS	MM	31/05/2009	30/08/2010	1/07/2010	30/05/2010	31/05/2010	30/04/2010	Certified Council resolution
To promote good governance,	Polices & bylaws	Date of submission of reviewed Delegated Powers	65		MM	MM		30/06/2010	1/07/2010	30/06/2010	31/05/2010	30/04/2010	Certified Council Minutes
To promote good governance, accountability & transparency	Polices & bylaws	Date of submission for Bylaws for Promulgation	66		HODCS			120	90	60 days after adoption	30	15	Signed receipt by department
To promote good governance, accountability & transparency	Polices & bylaws	Date of submission of reviewed Employee Assistance Programme	67		HODCS			30/08/2010	2010/01/01	2010/06/30	2010/05/31	2010/04/30	Approved programme signed by MM
To be a financially viable municipality	To report timely and accurately	Date of approval of Annual Report	68		CFO	MM		2010/05/31	2010/04/01	by	up to 28/02/2010	31/01/2010	Certified Council Minutes
To be a financially viable municipality	To report timely and accurately	Date of receipt of SDBIP by Mayor	69		CFO			2010/07/30	2010/07/25	by	prior to 14/07/2010	up to 2010/06/15	SDBIP signed and dated by Mayor
To be a financially viable municipality	To report timely and accurately	To submit SDBIP reports to CEO	70		HODCS			2	3	4	8	12	acknowledgement of receipt of cash flow projections by CFO
To promote good governance, accountability & transparency	To communicate in a structured manner	Communicate on Plan reviewed for the year	71.1		HODCS			01/08/2010	1/07/2010	30/06/2010	31/05/2010	30/04/2010	Acknowledgement of receipt by MM
To progressively provide a cost effective, reliable water services at a good quality to all potential customers in the district	To maximise the implementation of IDP identified projects	Sec 43 (Reg 10 (c)) % of capital budget actually spent on projects identified in IDP	74		HODTS	MM		30%	90%	100%			Identify expenditure certified by the CFO.
To promote good governance, accountability & transparency	To spend grant funding	Percentage of department allocated grant funds that were received that was spent (prior to approval of adjustment budget)	75		HODS			<90%	<95%	100%			Ledger expenditure certified by the CFO
To promote good governance, accountability & transparency	To build capacity	% of staff scheduled for training in Workforce Skills Plan actually trained	77		HODCS			80%	90%	100%	105%	110%	WSP report
To promote good governance, accountability & transparency	To build capacity	Sec 43 (Reg 10 (f)) % of Municipal Budget actually spent on Skills Development Plan	78		HODCS			80%	90%	100%	105%	110%	Monthly report from Venus
To be a financially viable municipality			79		HODCS								



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**ZULUANA DISTRICT MUNICIPALITY 2009/2010  
Council Key Performance Indicators**

To promote integrated & co-ordinated development within the District	To ensure timely completion of IDP Process plan	Date of adoption of Process Plan		HOD PCD	31-Aug-08	After 2009/09/30	> 2009/09/31	by 2009/09/31	2009/08/31	2009/07/30	Certified EXCO Minutes
To promote integrated & co-ordinated development within the District	To ensure timely submission of Framework plan	Date of submission of Framework Plan	B3	HOD PCD	31-Aug-08	After 2009/09/30	> 2009/09/31	by 2009/09/31	2009/08/31	2009/07/30	Confirmation of receipt by local municipalities
To be a financially viable municipality	To align Capital Programme and IDP	% of capital projects budgeted for in accordance with the IDP	B4	CFO	MM	80%	95%	100%			Budget & IDP
			B2								

11. DETAILED CAPITAL WORKS PLAN (MIG CASH FLOW)

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## 2009/2010 Financial Year - MIG

Agent	Project Title	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	09/10 Project annual value
DC 28 Zuidland	PIU	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	NIJOUEN Reg. Water Supply Scheme Ph 1	1,455,046	1,558,538	1,929,232	1,132,073	1,503,827	4,335,016	1,008,636	1,591,847	1,104,797	1,131,075	719,447	591,853	18,853,433
DC 28 Zuidland	NIJOUEN Reg. Water Supply Scheme Ph 2	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	NIJOUEN Reg. Water Supply Scheme Ph 3	1,461,151	1,905,195	1,486,520	1,462,312	1,616,187	1,702,667	3,988,906	1,201,497	2,202,604	1,167,199	1,167,199	812,828	18,166,444
DC 28 Zuidland	Niemen Phase 4	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Reinforcement Water Supply Production Ph 2	713,923	235,656	323,855	205,395	0	677,880	488,262	16,025,551	1,050,400	8,683,335	1,050,400	8,683,335	5,683,335
DC 28 Zuidland	Reinforcement Water Supply Ph 2	0	0	0	0	0	271,987	0	0	0	0	0	0	0
DC 28 Zuidland	Coronation Regional Water Supply - Egypt	0	61,264	0	338,193	194,828	3,112,356	834,046	597,170	448,176	1,329,161	4,847,900	453,000	5,773,837
DC 28 Zuidland	Ustun Regional Ph 1	514,323	2,527,983	2,813,664	785,785	1,905,241	3,213,337	467,726	430,738	1,572,617	2,800,840	2,850,000	3,589,000	21,785,048
DC 28 Zuidland	Ustun Regional Ph 2	0	0	0	0	415,100	0	0	0	0	0	0	0	875,100
DC 28 Zuidland	Ustun Regional Ph 3	0	0	0	0	0	280,467	0	0	0	0	0	0	2,617,885
DC 28 Zuidland	Ustun Regional Ph 4	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 5	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 6	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 7	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 8	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 9	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 10	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 11	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 12	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 13	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 14	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 15	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 16	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 17	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 18	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 19	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 20	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 21	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 22	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 23	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 24	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 25	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 26	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 27	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 28	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 29	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 30	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 31	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 32	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 33	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 34	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 35	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 36	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 37	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 38	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 39	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 40	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 41	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 42	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 43	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 44	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 45	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 46	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 47	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 48	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 49	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 50	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 51	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 52	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 53	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 54	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 55	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 56	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 57	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 58	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 59	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 60	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 61	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 62	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 63	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 64	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 65	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 66	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 67	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 68	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 69	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 70	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 71	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 72	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 73	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 74	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 75	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 76	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 77	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 78	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 79	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 80	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 81	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 82	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 83	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 84	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 85	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 86	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 87	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 88	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 89	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 90	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 91	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 92	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 93	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 94	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 95	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 96	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 97	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 98	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 99	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 100	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 101	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 102	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 103	0	0	0	0	0	0	0	0	0	0	0	0	0
DC 28 Zuidland	Ustun Regional Ph 10													

**APPROVAL OF THE ZULULAND DISTRICT MUNICIPALITY'S REVIEWED SDBIP  
FOR THE QUARTER ENDED 31 December 2009.**

The Zululand District Municipality's SDBIP for the quarter ended 31 December 2009 has  
been reviewed and approved by the Honorable Mayor: Cllr. V Z Magwaza-Msibi.

Date received:

\_\_\_\_\_

Date Approved:

\_\_\_\_\_

Signature:

\_\_\_\_\_

ITEM FILE NUMBER : 5/1/R

ITEM NUMBER: ZDME: 09 /593

2008 / 2009 ANNUAL REPORT

**PURPOSE:**

For the Executive Committee to consider the 2008/2009 annual report.

**BACKGROUND:**

**Section 121 of the municipal finance management act, provides that:**

(1) Every municipality must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality in accordance with section 129.

(2) The purpose of an annual report is-

(a) to provide a record of the activities of the municipality during the financial year to which the report relates;

(b) to provide a report on performance against the budget of the municipality for that financial year; and

(c) to promote accountability to the local community for the decisions made throughout the year by the municipality.

(3) The annual report of a municipality must include-

(a) the annual financial statements of the municipality, as submitted to the Auditor-General for audit in terms of section 126(1);

- (b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;
- (c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;
- (d) the Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act;
- (e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
- (f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;
- (g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
- (h) any explanations that may be necessary to clarify issues in connection with the financial statements;
- (i) any information as determined by the municipality;
- (j) any recommendations of the municipality's audit committee; and
- (k) any other information as may be prescribed.

**Section 129 of the MFMA, inter alia, provides that:**

(1) The council of a municipality must consider the annual report of the municipality and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council-

(a) has approved the annual report with or without reservations;

(b) has rejected the annual report; or

(c) has referred the annual report back for revision of those components that can be revised.

(2) The accounting officer must-

(a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and

(b) submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.

(3) The accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection (1) within seven days of its adoption.

**RECOMMENDED THAT:**

(i) The 2008/2009 annual report be approved without reservations.

(ii) The audit committee and two members of EXCO be appointed to comprise the oversight committee

**FOR CONSIDERATION**

**Annexure**



**Sthembile S. Msibi**

**From:** Sthembile S. Msibi  
**Sent:** 29 January 2010 03:11 PM  
**To:** 'leneo.mofoka@kzntreasury.gov.za'  
**Cc:** Nompilo Zulu; Sibusiso Ntshangase; SB Nkosi; Mbukiso Zuma  
**Attachments:** Mid-year assessment S72 of the MFMA 09.10.xls

Leneo,

Attached is the midyear assessment for ZDM.

Regards,

Sthe

ZULULAND DISTRICT MUNICIPALITY INCOME AND EXPENDITURE REPORT 2009/10

DESCRIPTION	APPROVED BUDGET	1 July	2 August	3 September	4 October	5 November	6 December	V-T-O EXPENDITURE	V-T-O VARIANCE	COMMENTS
<b>OPERATING EXPENDITURE</b>										
Employee salaries and allowances	54,663,564	-	9,927,040.78	5,059,701.09	3,884,749.44	-	7,310,314.86	26,181,826.17	28,661,737.83	
Employee social contributions	11,110,250	-	1,640,451.06	802,685.49	611,838.46	-	1,186,203.13	4,281,238.34	6,835,011.66	
Remuneration of Councilors	5,357,601	-	325,705.30	-	162,852.65	-	372,810.83	811,368.78	4,546,232.22	
General Expenses	99,617,469	1,807,516.44	4,116,249.51	4,064,024.15	5,292,313.49	9,310,259.93	8,172,835.98	32,761,259.50	66,866,239.50	
Build purchases	32,510,285	513,971.88	4,352,795.43	3,264,723.54	3,541,725.58	3,385,007.66	1,311,498.54	16,369,727.63	16,140,552.37	
Collection Costs	201,104	-	315,690.95	301,885.27	300,306.80	307,468.79	274,794.00	1,802,407.03	201,104.00	
Contracted services	3,429,829	-	55,075.88	52,350.05	53,085.10	190,000.00	51,052.27	1,002,413.97	1,627,421.97	
Grants and subsidies paid	644,658	-	55,075.88	52,350.05	53,085.10	96,503.55	51,052.27	190,000.00	654,658.00	
Interest expenses: External Borrowings	594,508	-	87,009.22	87,130.55	1,090,300.39	1,705,928.95	1,406,211.24	3,364,113.20	2,720,394.80	
Repairs & Maintenance: Municipal Assets	30,412,492	-	19,006.67	62,091.18	13,673.97	-	-	5,391,189.34	15,641,293.66	
Inter-departmental Charges	840,142	-	-	-	-	-	-	121,431.69	718,710.31	
Depreciation	2,877,213	-	-	-	-	-	-	-	2,877,213.00	
Contributions to provisions: Bad debts	-	-	-	-	-	-	-	-	-	
Loss on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	
<b>DIRECT OPERATING EXPENDITURE</b>	<b>262,475,145</b>	<b>2,904,604.08</b>	<b>20,859,628.80</b>	<b>14,699,512.32</b>	<b>10,968,862.32</b>	<b>10,977,602.44</b>	<b>20,062,120.92</b>	<b>86,274,575.68</b>	<b>154,200,569.32</b>	
<b>TOTAL OPERATING EXPENDITURE</b>	<b>262,475,145</b>	<b>2,904,604.08</b>	<b>20,859,628.80</b>	<b>14,699,512.32</b>	<b>10,968,862.32</b>	<b>10,977,602.44</b>	<b>20,062,120.92</b>	<b>86,274,575.68</b>	<b>154,200,569.32</b>	
<b>OPERATING INCOME</b>										
Property rates	-	-	-	-	-	-	-	-	-	
Plot premiums imposed	-	-	-	-	-	-	-	-	-	
Service charges	-	-	-	-	-	-	-	-	-	
Grants and subsidies	18,509,488	1,593,756.13	1,938,247.02	1,597,187.87	203,941.18	5,138,853.78	1,332,624.86	11,797,816.83	6,711,871.17	
Interest earned - external investments	358,824,000	91,453,998.00	19,750,000.00	27,031,270.76	5,373,601.58	44,590,000.00	41,086,311.00	224,995,181.54	13,828,818.66	
Interest earned - outstanding debentures	13,000,000	457,228.88	928,251.92	699,596.93	843,994.78	658,011.38	790,629.51	4,377,719.40	8,602,780.60	
Rent: Facilities & Equipment	-	-	-	74,279.21	-	-	-	24,270.27	-34,270.21	
Gains on disposal of property, plant and equipment	280,000	-	-	-	-	-	-	-	278,000.00	
Other income	-	56,478.46	77,498.74	132,548.92	58,792.95	140,401.41	55,806.19	561,581.67	-561,581.67	
Dividend received: External entities	-	-	-	-	-	-	-	-	-	
<b>TOTAL OPERATING INCOME</b>	<b>390,413,488</b>	<b>81,561,455</b>	<b>22,684,995.67</b>	<b>24,048,898.49</b>	<b>64,661,354.18</b>	<b>50,637,265.57</b>	<b>44,699,125.56</b>	<b>28,279,375.68</b>	<b>-184,200,569.32</b>	
<b>SHAPING / DEFICIT</b>	<b>118,116,443</b>	<b>90,662,853</b>	<b>1,834,637</b>	<b>9,348,371</b>	<b>-12,185,552</b>	<b>-19,400,346</b>	<b>-24,015,351</b>	<b>-58,274,376</b>	<b>-184,200,569</b>	
<b>CAPITAL PROJECTS</b>										
<b>REVENUE CONTRIBUTION</b>										
CAPITAL GRANTS	13,415,650	115,318.00	269,721.77	102,200.00	2,047,259.98	799,469.94	192,123.02	3,410,439.71	10,004,816.29	
	183,542,000	9,403,860.00	10,489,035.54	15,642,693.44	19,068,959.66	10,453,115.72	65,474,893.56	118,067,028.64	65,160,200.00	
<b>TOTAL CAPITAL</b>	<b>196,957,650</b>	<b>115,318.00</b>	<b>9,679,481.77</b>	<b>10,559,215.54</b>	<b>17,986,991.42</b>	<b>19,986,424.60</b>	<b>10,645,237.74</b>	<b>121,481,968.35</b>	<b>75,165,016.29</b>	
<b>CAPITAL SOURCE OF FUNDING</b>										
REVENUE CONTRIBUTION	13,415,650	19,000,000.00	21,500,000.00	3,300,000.00	44,500,000.00	5,802,700.00	218,381,100.00	13,415,650.00	-	
CAPITAL GRANTS	183,542,000	23,678,400.00	19,000,000.00	21,500,000.00	3,300,000.00	44,500,000.00	5,802,700.00	218,381,100.00	65,160,200.00	
<b>TOTAL CAPITAL SOURCE OF FUNDING</b>	<b>196,957,650</b>	<b>42,678,400.00</b>	<b>40,500,000.00</b>	<b>43,000,000.00</b>	<b>7,600,000.00</b>	<b>89,000,000.00</b>	<b>118,381,100.00</b>	<b>231,762,100.00</b>	<b>78,575,850.00</b>	